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IN THE

# SUPREME COURT OF THE UNITED STATES

October Term, 1961

No. 182

GEUDER, PAESCHKE & FREY CO.,
a corporation,

*Petitioner,*

*vs.*

JOHN R. CLARK,
and
J. R. CLARK COMPANY,

*Respondents.*

## REPLY BRIEF OF PETITIONER IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI

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1. Respondents at pages 2 and 4 of their brief assert that petitioner has failed to comply with Court Rule 19 which does not even purport to be exhaustive of the reasons for granting a Writ of Certiorari. The issue here, i.e., the invalidity of Olander Claim 1 because Hortman

Claim 14 describes the same invention, presents a matter of public importance and the failure of petitioner to raise that issue would thwart the public interest. *Edward Katzinger Co. v. Chicago Metallic Mfg. Co.*, 329 U.S. 394, 400 (1947). Thus, as stated in *Veaux v. Southern Oregon Sales, Inc.*, 33 F. Supp. 605 (D.C. Ore. 1940), at page 610:

> *"However, the interests of the public are always involved in a patent case and the public has to be protected from unjust monopoly. Even if plaintiff and defendant should stipulate that invention was present, the court should consider the question.* The cause has been fully tried and, without regard to the interests of the plaintiff or the punishment of the defendant, the rights of the public must be declared. Monopoly in any field should be curbed unless it appears that the public is receiving a benefit from the grant of which otherwise it would be deprived. The expense and trouble caused private claimants in trying to find the pot of gold at the end of the rainbow is to be deplored, *but neither should be recompensed at the expense of the public.* * * *" (Italics supplied)

See also *Densmore v. Scofield*, 102 U.S. 375, 378 (1880) and *Cridlebaugh v. Rudolph*, 131 F. (2d) 795, 800 (3rd Cir. 1942).

2. Respondents also at pages 2 and 4 of their brief make the astounding assertion that the constitutional provision and the statutes relating to patents are of no consequence and present an academic issue because the Court of Appeals did not see fit to refer to them. The Constitution and statutes, and the decisions cited by petitioner, expressly declare that (a) only one patent can be issued for a single invention, (b) the right to such grant is in the first inventor, and (c) a prior filing date establishes prior inventorship in the absence of other proof. Both the Con-

stitution and the statutes would be violated by the decision of the Court of Appeals in this case it, as petitioner contends, Olander Claim 1 and Hortman Claim 14 described the same invention.

3. Respondents at pages 3 and 7 of their brief refer to the issue of jurisdiction that was raised in the lower courts. The District Court found a lack of jurisdiction under Federal Rule of Civil Procedure 60(b) because petitioner had not first obtained leave from the Court of Appeals to commence this independent action. This question of jurisdiction, however, became moot when the Court of Appeals treated the brief of petitioner on appeal as a request for leave to commence this action and then ruled on the merits of the issue presented. Under the circumstances involved here this Court should not be burdened with the jurisdictional issue, which involved the power of a District Court to entertain an independent action, to enjoin enforcement of a judgment of its appellate court because of an event which occurred after the judgment of said appellate court.

4. Respondents at page 4 of their brief argue that since petitioner has made no attempt to recall the mandate from the District Court, the issue raised in the Petition for Writ of Certiorari has become moot. The issuance of the Court of Appeals mandate to the District Court cannot affect the jurisdiction of this Court as to this Petition. *Carr v. Zaja*, 283 U.S. 52 (1931) and *Aetna Casualty Co. v. Flowers*, 330 U.S. 464, 467 ('947).

5. Respondents, on page 5 of their brief, following the course charted by the Court of Appeals, treat the identity of invention issue summarily and make no effort to specify even one of the alleged inventive differences between Hortman Claim 14 and Olander Claim 1. They

also assert the identity of invention question presents an issue of fact and hence limits the jurisdiction of this Court. However, this Court held long ago in *Miller v. Eagle Manufacturing Co.*, 151 U.S. 186, 196-197 (1893):

> "If, upon a proper construction of the two patents—*which presents a question of law to be determined by the court,* (Heald v. Rice, 104 U.S. 737, 749), and which does not seem to have been passed upon and decided by the court below—they should be considered as covering the same invention, *then the later must be declared void,* under the well-settled rule that two valid patents for the same invention cannot be granted either to the same or to a different party." (Italics supplied)

The conclusory ruling of the Court of Appeals is not entitled to the weight respondents ascribe to it and the scope of review by this Court on the issue presented is not limited.

Petitioner has been unable to perceive patentable differences of any kind between said claims of said two patents and neither the Court of Appeals nor respondents have specified any of the alleged differences. Since a mere reading of the two claims demonstrates that alleged patentable "differences" are non-existent this Court should so declare in the public interest.

6. Respondents on page 6 of their brief argue that the statute relating to interfering patent actions (35 USC § 291) prohibits this Court from comparing the claims in question, i.e., deciding the issue of law involved, because the owner of the Hortman patent is not a party.

On its face, that statute merely authorizes a special form of relief for one patent *owner against another owner* when their issued patents interfere, because an infringement suit may not be possible. Moreover, petitioner

in this case is not seeking to have the Hortman patent invalidated but is attacking a claim of the Olander patent, whose owner is a party to this suit.

Furthermore, 35 USC §282 specifically provides the conditions for patentability set forth in 35 USC §102 shall be defenses in "*any* action involving the validity or infringement of a patent." (Italics supplied) If the rule were otherwise, then, whenever a defendant in an infringement suit pleaded prior art evidenced by an outstanding patent, such prior art would not be available as a defense if the owner of that prior art patent was not within the jurisdiction of the forum chosen by plaintiff.

The absurdity of the respondents' interfering patent argument is further illustrated by *Sundh Electric Co. v. Interborough Rapid Transit Co.*, 198 Fed. 94 (2nd Cir., 1912), wherein Claim 3 of the patent in suit was compared with Claim 3 of a later patent issued on a prior filed application, a situation which obtains here. The owner of the second patent was not a party. The Court found the claims to be for the same invention and adjudged the patent in suit invalid because the patentee was not the first inventor. See also *Alexander Milburn Co. v. Davis-Bournonville Co.*, 270 U.S. 390 (1926) and *Detrola Corp. v. Hazeltine Corp.*, 313 U.S. 259 (1941).

7. Respondents at page 6 of their brief assert *Application of Hortman*, 264 F. (2d) 911 (1959) was an ex parte and non-adversary proceeding, even though the Patent Office and Hortman were completely at odds and filed opposing briefs in the Court of Customs and Patent Appeals. While that court did not and could not pass upon the validity of Olander, it did hold Hortman Claim 14 described patentable subject matter specified in the claim as the offsetting of the leg structure of an ironing table to provide sufficient room for sit-down ironing.

8. Respondents at pages 6 and 7 of their brief assert that Hortman Claim 14 discloses no more than the "Mary Proctor" ironing table relied upon by petitioner as prior art in the first case. The Court of Appeals for the Seventh Circuit held that said *table,* which had one single and one double bar leg, did not "suggest" the invention described in Olander Claim 1. (259 F. 2d 737, 739) However, Hortman Claim 14 in very clear language specifically teaches the invention described in Olander Claim 1, to-wit, a leg structure not limited to one with a double bar leg, but:

> "* * * of sufficiently narrower width than said top, and being laterally offset in relation to the longitudinal axis of said top sufficiently, at least in those portions to be disposed in the vicinity of the user's knees, to provide room for the knees opposite said portions beneath the top and thereby permit use of the table for sit-down ironing."

9. Respondents at pages 7-9 of their brief also make the illogical argument that even though the judgment sought to be enjoined is based upon a void patent, the enforcement thereof cannot be classified as "unconscionable" in view of the equities between the parties. Equities of the parties cannot override the public interest involved when a void patent remains outstanding.

An invalid patent is never enforceable, not even when the invalidity arises out of an administrative error, of which the inventor is entirely innocent. *Marsh v. Nichols, Shepard & Co.,* 128 U.S. 605 (1888). It is an often repeated principle that there can be no infringement of an invalid patent. When Olander failed to contribute anything patentably new to the arts there was no consideration for the patent grant, and his assignee Clark should not receive an unearned enrichment in the form of a

money judgment. This Court has said that a patent such as the one here "must be declared void". See *Miller v. Eagle Manufacturing Co.*, 151 U.S. 186, 196-197 (1893).

While the so-called equities are of no consequence in applying the foregoing principles, petitioner denies that any "equities" lie in favor of respondents. The alleged copying, as well as initial making and selling, by petitioner occurred *before* the Olander patent issued. As the record discloses, petitioner introduced its knee room table only after two competitors had already marketed theirs. Petitioner had the perfect right to meet competition, for as stated in *Smith v. Dravo Corp.*, 203 F. 2d 369, 375 (7th Cir. 1953):

> "It is unquestionably lawful for a person to gain possession, through proper means, of his competitor's product and through inspection and analysis, create a duplicate, *unless, of course, the item is patented.* * * *" (Italics supplied)

It also is difficult to understand how such copying can be characterized as "deliberate and willful", or even copying, when the Court of Appeals in the prior case had to resort to the doctrine of equivalents (259 F. 2d 737, 740) to uphold the finding of infringement. The remarks in *Union Carbide Corp. v. Graver Tank & Mfg. Co.*, 282 F. 2d 653 (7th Cir. 1960) (certiorari denied Feb. 20, 1961, 356 U.S. 812) at page 658 apply:

> "If Lincoln had copied its flux from the patent, that, as the Supreme Court said, would have been 'the end of it', and there would have been no occasion to resort to the doctrine of equivalents. That doctrine rests upon the premise that the infringer made something different. *It strikes us as an anomaly to find that Lincoln copied from the patent but that infringement was found only by application of the doctrine of equivalents.* * * *" (Italics supplied)

and again at page 662:

> "Bad faith should not be attributed to Lincoln because it contested and lost on the issue of infringement. Many a legal battle has been fought honestly and in good faith, but lost."

Nor can the sale by petitioner of the Consumer Products Division of its business before the judgment of infringement be utilized to balance equities against it. Of such business, as respondents well know, the infringing tables were only one of several product lines of said Consumer Products Division and trivial in dollar amount (see page 4 of Petition for Certiorari in Docket No. 199) and the purchaser had resold said ironing board business and ceased infringement before respondent sued the purchaser (see page 5 of Petition for Certiorari in Docket No. 199).

10. Opposing counsel on pages 9 and 10 of his brief distinguishes a case which he incorrectly refers to as being newly cited, to-wit: *International Signal Co. v. Vreeland,* 278 F. 468 (2nd Cir. 1921). No distinction is necessary. That decision was an "interfering patent" suit, which is quite different from the instant case. The court, by reason of the limited purpose of the interference statute, held that in such an action it would be improper to determine patentability of the claim of one party over that of the other party when the claims did not actually interfere. The portion of the decision, which was properly classified as a dissent on page 18 of the Petition for Writ of Certiorari, was cited only for quoted propositions of law which are clearly correct in resolving an issue of the kind now before the Court.

Respondents on pages 10-11 of their brief misquote and add to the opinion by this Court in *Hildreth v. Mas-*

*toras,* 257 U.S. 27, 32 (1921). That case holds that the presumption of invention which arises from the granting of a patent must have greatly increased weight *when* the claim of the inventor is subjected to close and careful scrutiny in a heated interference proceeding in the Patent Office itself, a situation which does not exist with respect to the Olander Claim 1 because the Patent Office at all times denied Hortman Claim 14.

## CONCLUSION

Manifestly 1) the question involved is neither academic or moot, 2) the owner of the Hortman patent is not an indispensable party in this lawsuit, and 3) if Hortman Claim 14 and Olander Claim 1 are for the same invention, Olander Claim 1 is void on the basis of the record and enforcement of a judgment based thereon would be unconscionable and against the public interest.

A Writ of Certiorari should issue to the United States Court of Appeals for the Seventh Circuit so that its decision filed in this matter on March 30, 1961, may be reviewed by this Court.

*Respectfully submitted,*

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